



FEDERAL ELECTION COMMISSION  
WASHINGTON, D.C. 20463

MAY 30 2018

A. Christine Svenson, Esq.  
Svenson Law Offices  
505 N. LaSalle Street, Suite 350  
Chicago, IL 60654

RE: MUR 7007  
Kyle McCarter for Congress  
Committee and Kelly Standfield in  
her official capacity as treasurer  
James W. Best

Dear Ms. Svenson:

On May 22, 2018, the Federal Election Commission accepted the signed conciliation agreements and civil penalties submitted on behalf of your clients, Kyle McCarter for Congress Committee and Kelly Standfield in her official capacity as treasurer (the "Committee") and James W. Best. These agreements settle violations of 52 U.S.C. §§ 30116(f) and 30118(a) for the Committee and 52 U.S.C. § 30116(a) for Best, provisions of the Federal Election Campaign Act of 1971, as amended. Accordingly, the file has been closed in this matter.

Documents related to the case will be placed on the public record within 30 days. See Disclosure of Certain Documents in Enforcement and Other Matters, 81 Fed. Reg. 50,702 (Aug. 2, 2016). Information derived in connection with any conciliation attempt will not become public without the written consent of the respondent and the Commission. See 52 U.S.C. § 30109(a)(4)(B).

Enclosed you will find copies of the fully executed conciliation agreements for your files. Please note that each civil penalty is due within 30 days of the respective conciliation agreement's effective date. If you have any questions, please contact me at (202) 694-1650.

Sincerely,

Roy Q. Luckett  
Attorney

Enclosures

Conciliation Agreement of the Committee  
Conciliation Agreement of James W. Best

OFFICE OF  
GENERAL COUNSEL

BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of APR 32 AM 8:32

Kyle McCarter for Congress Committee  
and Kelly Standfield in her  
official capacity as treasurer

MUR 7007

CONCILIATION AGREEMENT

This matter was initiated by a signed, sworn, and notarized complaint by Richard Stubblefield and pursuant to information ascertained by the Federal Election Commission (the "Commission") in the normal course of carrying out its supervisory responsibilities. The Commission found reason to believe that Kyle McCarter for Congress Committee and Kelly Standfield in her official capacity as treasurer ("Respondents" or the "Committee") violated 52 U.S.C. §§ 30116(f) and 30118(a).

NOW, THEREFORE, the Commission and the Respondents, having participated in informal methods of conciliation, prior to a finding of probable cause to believe, do hereby agree as follows:

I. The Commission has jurisdiction over the Respondents and the subject matter of this proceeding, and this agreement has the effect of an agreement entered pursuant to 52 U.S.C. § 30109(a)(4)(A)(i).

II. Respondents have had a reasonable opportunity to demonstrate that no action should be taken in this matter.

III. Respondents enter voluntarily into this agreement with the Commission.

IV. The pertinent facts in this matter are as follows:

1. Kyle McCarter is a State Senator in the Illinois General Assembly who sought the Republican nomination in the 15<sup>th</sup> Congressional District in 2016.

2. McCarter designated the Committee as his principal campaign committee for the congressional election. The Committee is a political committee within the meaning of 52 U.S.C. § 30101(4). Kelly Standfield is the Committee's treasurer of record.

3. Under the Federal Election Campaign Act of 1971, as amended (the "Act"), an individual may not make a contribution to a candidate or his authorized political committee with respect to any election in excess of \$2,700 during the 2016 election. See 52 U.S.C. § 30116(a)(1)(A) and 11 C.F.R. § 110.1(b)(1). Candidates and political committees are prohibited from knowingly accepting excessive contributions. See 52 U.S.C. § 30116(f). When a committee receives an excessive contribution, the committee must, within 60 days of the contribution's receipt, either refund the excessive portion of the contribution or obtain a redesignation or reattribution from the contributor. See 11 C.F.R. § 103.3(b)(3).

4. The Act also prohibits political candidate committees from knowingly accepting contributions from the general treasury funds of corporations. See 52 U.S.C. § 30118. Contributions that present genuine questions as to whether they are prohibited may be, within 10 days of receipt, deposited into a campaign depository or returned to the contributor. See 11 C.F.R. § 103.3(b)(1). If such contribution is deposited and cannot be determined to be legal, the treasurer shall, within 30 days from receipt of the contribution, refund the contribution to the contributor. *Id.*

5. The Commission's regulations permit a candidate's committee to receive contributions for the general election prior to the primary election. See 11 C.F.R. § 102.9(e)(1). If, however, the candidate does not become a candidate in the general election, the committee must: (1) refund the contributions designated for the general election; (2) redesignate such contributions in accordance with 11 C.F.R. §§ 110.1(b)(5) or 110.2(b)(5); or (3) reattribute such

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contributions in accordance with 11 C.F.R. § 110.1(k)(3). *See* 11 C.F.R. §§ 102.9(e)(3), 110.1(b)(3)(i), and 110.2(b)(3)(i). The committee must do so within 60 days of the date that the committee has actual notice of the need to redesignate, reattribute, or refund the contributions, such as the date the candidate loses the primary or withdraws from the campaign.

6. On January 29, 2016, the Committee filed its 2015 Year-End Report, covering the period from October 1, 2015 to December 31, 2015. This report disclosed that the Committee received excessive and prohibited contributions totaling \$45,413.69 from two individuals and two corporate entities that were not timely redesignated, reattributed, or refunded. The Committee disclosed the untimely refunds of three of these contributions on its 2016 Pre-Primary Report; one of the contributions, in the amount of \$500, has not been refunded. The chart below reflects these contributions:

Contributor	Date	Excessive or Prohibited Amount
Tri Ford, Inc.(Corporation)	11/05/15	\$ 305.00
James W. Best	11/05/15	\$34,600.00
Darren Bailey	12/08/15	\$10,008.69
Terra Properties (Corporation)	12/31/15	\$ 500.00
	Total	\$45,413.69

7. The Federal Committee disclosed Darren Bailey's \$10,008.69 contribution as a contribution from Total Grain Marketing, LLC ("TGM"), which forwarded a check in that amount to the Federal Committee at Bailey's request, consisting of funds Bailey received from TGM in a commercial transaction. After the Federal Committee refunded the \$10,008.69 to TGM, TGM provided the funds to Bailey.

8. On March 3, 2016, the Committee filed its 2016 12 Day Pre-Primary Report, covering the period from January 1 to February 24, 2016. This report disclosed the receipt of a \$2,700 contribution from one individual designated for the 2016 general election.

9. On March 15, 2016, Kyle McCarter lost the 2016 primary election for Illinois's 15<sup>th</sup> Congressional District.

10. On April 15, 2016, the Committee filed the 2016 April Quarterly Report covering the period from February 25, 2016, to March 31, 2016. This report disclosed the receipt of \$3,200 in contributions designated for the 2016 general election from one individual and one partnership for which an attribution to one individual was provided.

11. The Committee did not refund the three 2016 general election contributions totaling \$5,900 that were originally disclosed on its 2016 12 Day Pre-Primary and 2016 April Quarterly Reports. These contributors are reflected on the chart below:

Contributor	Date	Amount
Robert Mercer	2/22/16	\$2,700.00
Seven Oaks Apartments (Partnership)	3/08/16	\$2,500.00
William Hotaling	3/09/16	\$ 700.00
	Total	\$5,900.00

12. Respondents contend that the resulting violations of the Act were inadvertent. Respondents further contend that the Committee erroneously reported the \$700 contribution from William Hotaling as designated for the 2016 general election on its original 2016 April Quarterly Report. On March 26, 2018, the Committee amended the 2016 April Quarterly Report, disclosing the \$700 contribution from Hotaling as designated for the 2016 primary election.

V. Respondents violated 52 U.S.C. §§ 30116(f) and 30118(a) by knowingly accepting excessive and prohibited contributions totaling \$51,313.69.

VI. 1. Respondents will pay a civil penalty to the Commission in the amount of Five Thousand Three Hundred Dollars (\$5,300) pursuant to 52 U.S.C. § 30109(a)(5)(A).

2. Respondents will cease and desist from committing violations of 52 U.S.C. §§ 30116(f) and 30118(a).

3. Respondents will amend the Committee's 2015 Year-End Report to reflect Bailey as the contributor of a \$10,008.69 contribution instead of Total Grain Marketing LLC.

VII. The Commission, on request of anyone filing a complaint under 52 U.S.C. § 30109(a)(1) concerning the matters at issue herein or on its own motion, may review compliance with this agreement. If the Commission believes that this agreement or any requirement thereof has been violated, it may institute a civil action for relief in the United States District Court for the District of Columbia.

VIII. This agreement shall become effective as of the date that all parties hereto have executed same and the Commission has approved the entire agreement.

IX. Respondents shall have no more than 30 days from the date this agreement becomes effective to comply with and implement the requirements contained in this agreement and to so notify the Commission.

X. This Conciliation Agreement constitutes the entire agreement between the parties on the matters raised herein, and no other statement, promise, or agreement, either written or oral, made by either party or by agents of either party, that is not contained in this written agreement shall be enforceable.

FOR THE COMMISSION:

Lisa J. Stevenson  
Acting General Counsel

BY:

Kathleen Guith  
Kathleen M. Guith  
Associate General Counsel  
for Enforcement

5/28/18  
Date

FOR THE RESPONDENTS:

Kyle McCarter  
Kyle McCarter  
Candidate

4/18/18  
Date

OFFICE OF  
GENERAL COUNSEL  
BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of

James W. Best

2018 APR 30 PM 1:08

MUR 7007

CONCILIATION AGREEMENT

This matter was initiated by a signed, sworn, and notarized complaint by Richard Stubblefield, and pursuant to information ascertained by the Federal Election Commission (the "Commission") in the normal course of carrying out its supervisory responsibilities. The Commission found reason to believe that James W. Best ("Respondent") violated 52 U.S.C. § 30116(a).

NOW, THEREFORE, the Commission and the Respondent, having participated in informal methods of conciliation, prior to a finding of probable cause to believe, do hereby agree as follows:

I. The Commission has jurisdiction over the Respondent and the subject matter of this proceeding, and this agreement has the effect of an agreement entered pursuant to 52 U.S.C. § 30109(a)(4)(A)(i).

II. Respondent has had a reasonable opportunity to demonstrate that no action should be taken in this matter.

III. Respondent enters voluntarily into this agreement with the Commission.

IV. The pertinent facts in this matter are as follows:

I. Respondent is an individual contributor. Kyle McCarter for Congress Committee (the "Committee") is the principal campaign committee of Kyle McCarter, and is a political committee within the meaning of 52 U.S.C. § 30101(4).



2. Under the Federal Election Campaign Act of 1971, as amended, for the 2016 election cycle, no person was permitted to make contributions to a candidate for federal office or his authorized political committee which in the aggregate exceeded \$2,700 for each election. See 52 U.S.C. § 30116(a)(1)(A) and 11 C.F.R. § 110.1(b)(1).

3. On November 5, 2015, Respondent made two contributions to the Committee totaling \$40,000; one in the amount of \$37,300 designated for the 2016 primary election, and another in the amount of \$2,700 designated for the 2016 general election.

4. On January 28, 2016, the Committee refunded \$40,000 to Best.

5. Respondent's \$37,300 contribution to the Committee exceeded the applicable contribution limit by \$34,600.

V. Respondent violated 52 U.S.C. § 30116(a) by making an excessive contribution totaling \$34,600.

VI. 1. Respondent will pay a civil penalty to the Commission in the amount of Three Thousand Seven Hundred Dollars (\$3,700) pursuant to 52 U.S.C. § 30109(a)(5)(A).

2. Respondent will cease and desist from committing violations of 52 U.S.C. § 30116(a).

VII. The Commission, on request of anyone filing a complaint under 52 U.S.C. § 30109(a)(1) concerning the matters at issue herein or on its own motion, may review compliance with this agreement. If the Commission believes that this agreement or any requirement thereof has been violated, it may institute a civil action for relief in the United States District Court for the District of Columbia.

VIII. This agreement shall become effective as of the date that all parties hereto have executed same and the Commission has approved the entire agreement.

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IX. Respondent shall have no more than 30 days from the date this agreement becomes effective to comply with and implement the requirements contained in this agreement and to so notify the Commission.

X. This Conciliation Agreement constitutes the entire agreement between the parties on the matters raised herein, and no other statement, promise, or agreement, either written or oral, made by either party or by agents of either party, that is not contained in this written agreement shall be enforceable.

FOR THE COMMISSION:

Lisa J. Stevenson  
Acting General Counsel

BY: Kathleen M. Guith  
Kathleen M. Guith  
Associate General Counsel  
for Enforcement

5/29/18  
Date

FOR THE RESPONDENT:

James W. Best  
James W. Best

4-18-18  
Date

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